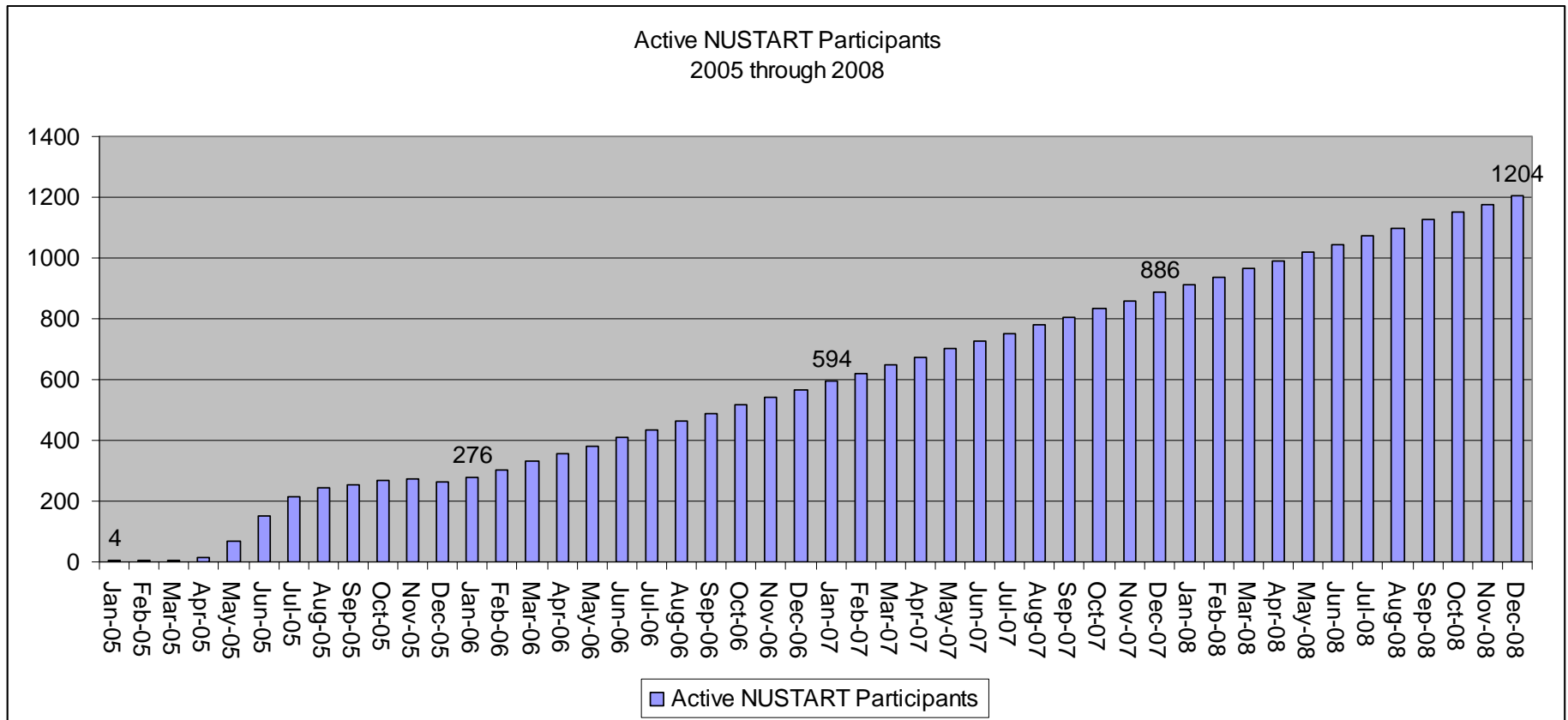


### Assumptions

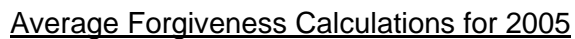
- WMECO participation rates and growth patterns were projected to be slightly higher than those seen in a similar arrearage management program run by its sister company, Connecticut Light & Power (CL&P) because:
  - WMECO has a larger percentage of its customer population eligible to participate in NUSTART;
  - WMECO anticipates a higher degree of Community Action Agency participation and recruitment of eligible customers than currently seen in CL&P's territory;
  - WMECO customers have historically had higher levels of low-income customer receivables.
  - WMECO will achieve a participation level of 1200 customers in three years.
  - All program costs will be recovered from residential customers.
- The average forgiveness each month in 2006 – 2008 was determined using the average forgiveness WMECO granted in June 2005 through December 2005 and the forecasted monthly participation.
  - The period January 2005 through May 2005 was not used to develop average forgiveness estimates because participation levels in those months was too low to allow the calculation of a meaningful statistic.
  - Administrative costs covering Labor and Marketing efforts are projected at \$40,000.00 per year. These costs include time, materials and stipends for conducting Money\$Matters workshops, promotional material costs (direct mail campaigns), and various program administration time. Administrative costs were projected evenly across all months at \$3,333.00.
  - Administrative costs were not included in the period January 2005 through May 2005 because there were no significant costs incurred with such low participation levels.
- Sales are assumed to remain at the 2004 WMECO annual sales level – 4147 GWH, or 4,147,000,000 kWh.

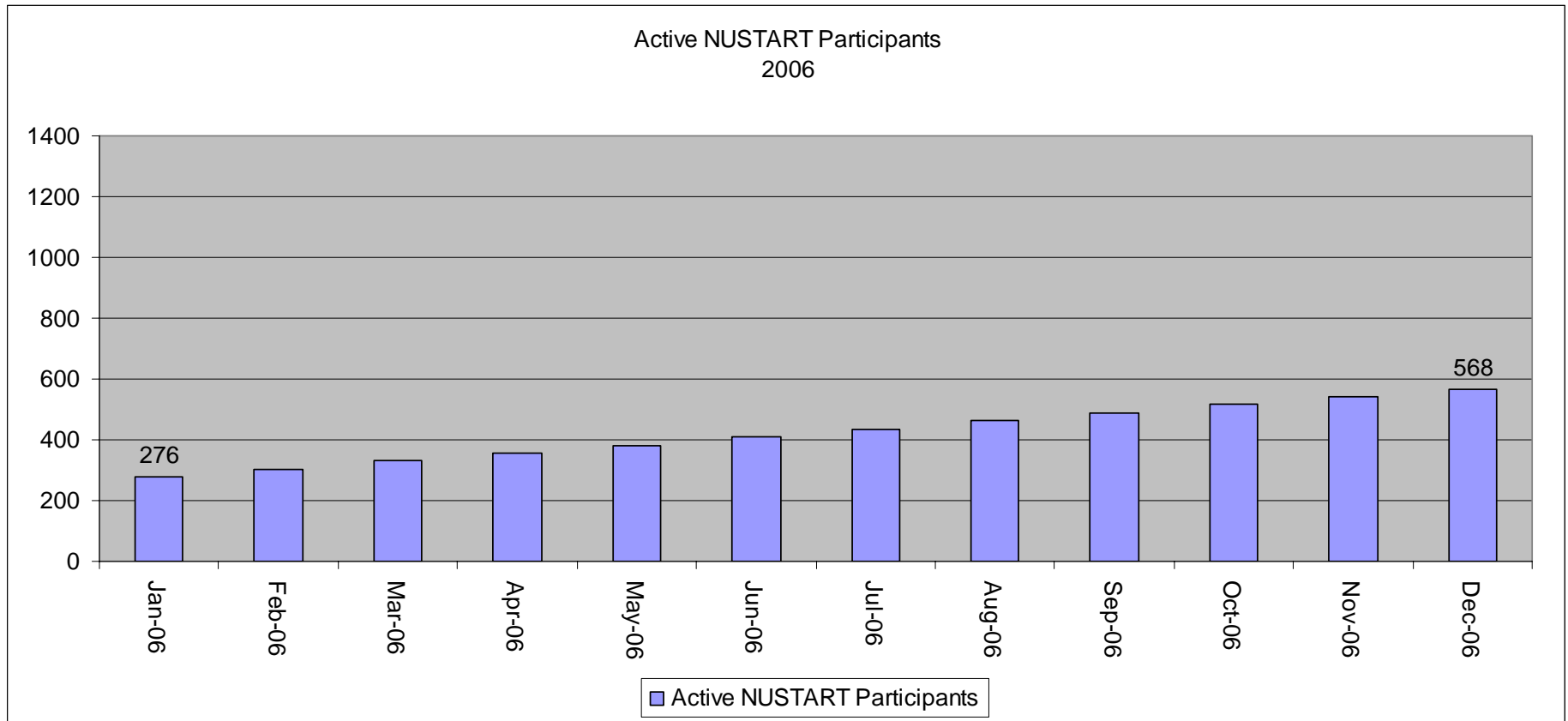
Bill Impact Summary 2006 through 2008	Total forgiveness	Admin Costs	Total Program Costs
	\$652,879	\$120,000	\$772,879
<b>\$/kWh</b>	<b>\$0.000052</b>	<b>\$0.000010</b>	<b>\$0.000062</b>
Average" @700kWh"	\$0.04	\$0.01	\$0.04

Overview Year 2005 through Year 2008



- WMECO reintroduced the NUSTART program in March 2005 resulting in significant participation growth as we began actively enrolling eligible customers.
- WMECO anticipates that there will be steady participation growth in NUSTART in 2006 – 2008, with cyclical decreases coinciding with winter shut-off moratorium. The projected decreases in participation would extend for more months and possibly at higher rates when the winter shut-off moratorium period is extended.

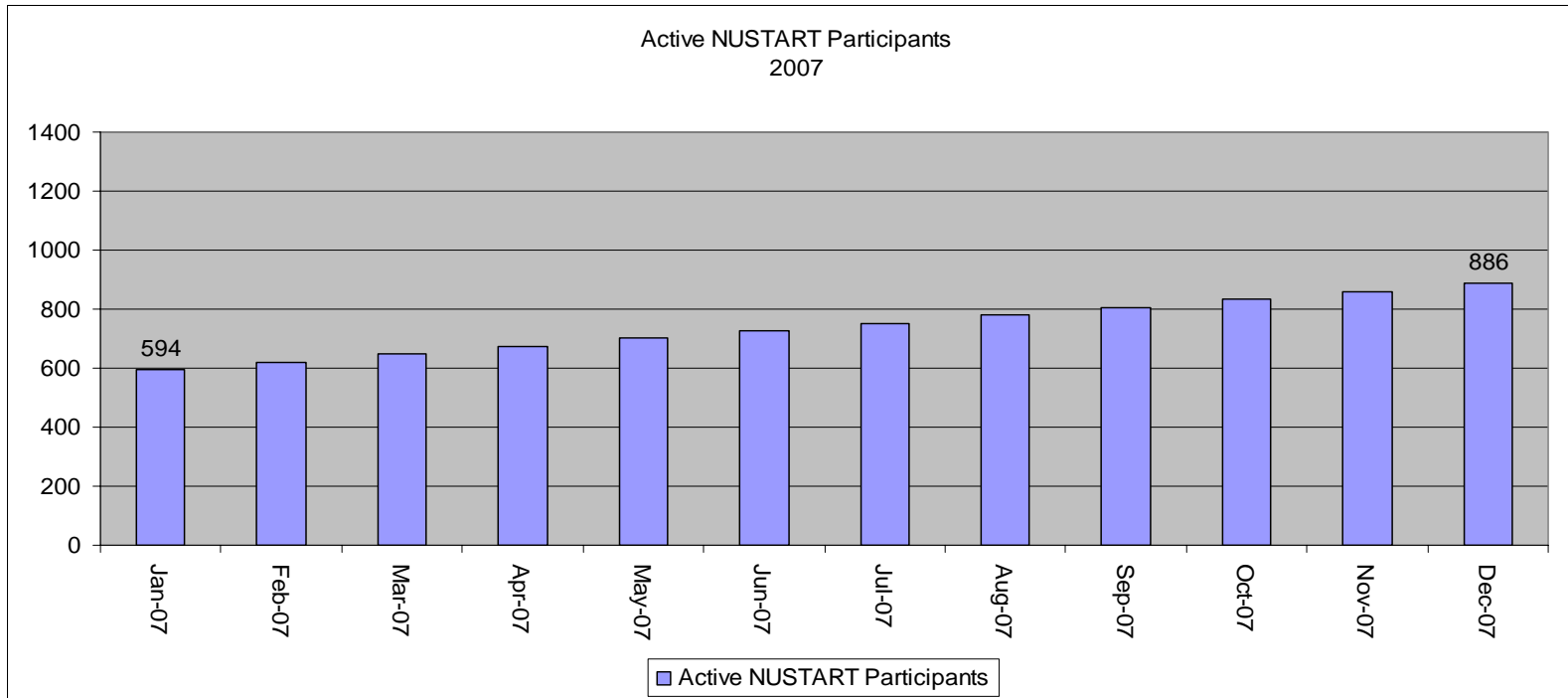
[illegible]



Calculations 2006

	06-Jan	06-Feb	06-Mar	06-Apr	06-May	06-Jun	06-Jul	06-Aug	06-Sep	06-Oct	06-Nov	06-Dec
# Active Customers	276	303	329	356	382	409	435	462	488	515	541	568
2005 Avg. Forgiveness	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50
Total Monthly Forgiveness	\$6,774	\$7,423	\$8,072	\$8,721	\$9,371	\$10,020	\$10,669	\$11,318	\$11,968	\$12,617	\$13,266	\$13,915

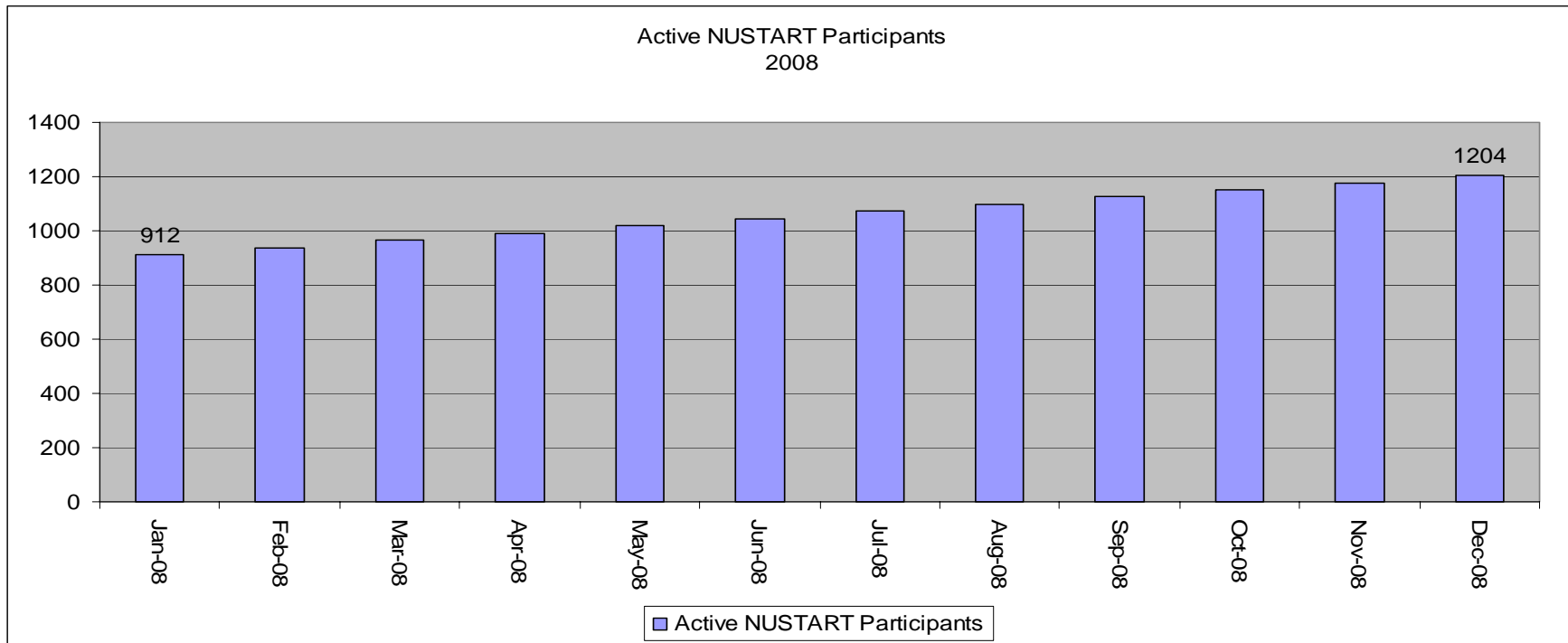
2006 Total Forgiveness	Admin Costs	Total Program Costs	\$/kWh	"@700kWh"
\$124,134	\$40,000	\$164,134	\$0.000040	\$0.03



Calculations 2007

	07-Jan	07-Feb	07-Mar	07-Apr	07-May	07-Jun	07-Jul	07-Aug	07-Sep	07-Oct	07-Nov	07-Dec
# Active Customers	594	621	647	674	700	727	753	780	806	833	859	886
2005 Avg. Forgiveness	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50
Total Monthly Forgiveness	\$14,565	\$15,214	\$15,863	\$16,512	\$17,162	\$17,811	\$18,460	\$19,109	\$19,759	\$20,408	\$21,057	\$21,706

2007 Total Forgiveness	Admin Costs	Total Program Costs	\$/kWh	"@700kWh"
\$217,626	\$40,000	\$257,626	\$0.000062	\$0.04



**Calculations 2008**

	08-Jan	08-Feb	08-Mar	08-Apr	08-May	08-Jun	08-Jul	08-Aug	08-Sep	08-Oct	08-Nov	08-Dec
# Active Customers	912	939	965	992	1018	1045	1071	1098	1124	1151	1177	1204
2005 Avg. Forgiveness	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50	\$24.50
Total Monthly Forgiveness	\$22,356	\$23,005	\$23,654	\$24,303	\$24,953	\$25,602	\$26,251	\$26,900	\$27,550	\$28,199	\$28,848	\$29,497

2008 Total Forgiveness	Admin Costs	Total Program Costs	\$/kWh	"@700kWh"
\$311,118	\$40,000	\$351,118	\$0.000085	\$0.06